

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA**

In Re: Generations on 1st, LLC, Debtor.	Case No.: 25-30002 Chapter 11 (Main Case)
In Re: Parkside Place, LLC, Debtor.	Case No.: 25-30003 Chapter 11 (Jointly Administered)

**DECLARATION OF CHARLES AARESTAD (RED RIVER STATE BANK)
IN SUPPORT OF MOTION TO TERMINATE EXCLUSIVITY RE: GENERATIONS**

Pursuant to 28 U.S.C. § 1746, I, Charles Aarestad, declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Senior Vice President at Red River State Bank (“RRSB” or “Creditor”). I have held my current position since 2011.

2. I am personally familiar with the loan history between RRSB and Generations on 1st, LLC (the “Debtor”) and the Debtor’s constructed apartment building located at 26 1st Ave. SW, Watertown, South Dakota (the “Generations Project”).

3. I am personally familiar with the 17 draw requests submitted to Watertown Development Corp. (“WDC”) and RRSB by Debtor and its general contractor Craig Development, LLC and/or Jesse Craig (“Draw Requests”). Copies of the Draw Requests in RRSB’s files were previously filed in this case. *See* ECF 185.

4. Included within the Draw Requests were subcontractor invoices submitted to RRSB in support of such Draw Requests.

5. RRSB commenced a foreclosure lawsuit with respect to the Debtor's real property in Watertown, South Dakota, *Red River State Bank v. Generations on 1st, LLC et. al.*, Codington County, South Dakota, Case No. 14CIV24-64 (the "SD Foreclosure Lawsuit").

6. In the SD Foreclosure Lawsuit, RRSB issued numerous subpoenas to subcontractors that worked on the Generations Project (as well as subcontractors that worked on the Ruins Project, the Parkside Project, the Lofts Project, and the Jesse and Mulinda Craig Lake Home) requesting copies of invoices, payment applications, quotes, etc. Additionally, RRSB issued requests for production of documents to all of the mechanic's lien defendants in the SD Foreclosure Lawsuit including but not limited to D & M Industries, Inc., Watertight, Inc., and Diamond Wall Systems, Inc. Most of the SD Foreclosure Lawsuit mechanic's lien defendants provided copies of their invoices, payment applications, quotes, etc. for the Generations Project in response to RRSB's discovery requests.

7. The following eleven (11) subcontractors have provided Declarations Certifying Records Pursuant to F.R.Evid. 901(11) of their business records:

- a. Clausen Construction, Inc. [ECF 185]
- b. Hebron Brick Supply Co. [ECF 191]
- c. T.L. Stroh Architects, Ltd. [ECF 192]
- d. Limoges Construction, Inc. [Ruins ECF 101]
- e. Watertight, Inc. [ECF 200]
- f. Baete-Forseth, HVAC, LLC [ECF 193]
- g. Gage Bros. Concrete Products, Inc. [ECF 204]

- h. Kloos Electric, LLC [ECF 199]
- i. Infrastructure Design Group, Inc. [ECF 194]
- j. R.L. Drywall and Insulation, Inc. [ECF 195]
- k. Watertown Cashway Lumber, Inc. [ECF 203]

8. I have personally reviewed the Draw Requests for the Generations Project and compared them with the invoices and payment applications received pursuant to subpoenas issued and/or through discovery in the SD Foreclosure Lawsuit. With the assistance of RRSB's attorneys, we have compiled into a summary chart form what I have identified as the invoices from the Draw Requests that appear to have been altered or are for non-Generations projects. This summary chart with the underlying documents is attached hereto as **Exhibit A**.

9. I declare under penalty of perjury that the foregoing is true and correct.

Dated: October 16, 2025.

BY: /s/ Charles Aarestad
Charles Aarestad